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REPORT OF CONFERENCE
LIVESTOCK MARKETING AND MEAT INDUSTRY
AGRICULTURAL MARKETING SERVICE
UNITED STATES DEPARTMENT OF AGRICULTURE
NEW YORK CITY, JUNE 7-8, 1940

Reserve

A conference held, primarily, for the purpose of considering problems associated with market reporting services on dressed meats, was held in New York City on June 7 and 8, 1940. The Boston, Chicago, New York, Philadelphia and Washington offices were represented. Those in attendance were:

M. E. Penry, Assistant Marketing Specialist, Boston.
D. J. Slater, Marketing Specialist, Chicago.
E. R. Jeter, Assistant Marketing Specialist, Chicago.
D. C. Cummins, Sr. Marketing Specialist, New York.
J. A. Burgess, Associate Marketing Specialist, New York.
C. F. House, Assistant Marketing Specialist, New York.
C. H. Harris, Associate Marketing Specialist, Philadelphia.
S. B. Newell, Assistant to Chief, Agricultural Marketing Service, Washington.
H. M. Sandstrom, In Charge, Marketing Information Section, A. M. S., Washington.
W. O. Fraser, Principal Marketing Specialist, Washington.
E. M. Baker, Senior Marketing Specialist, Washington.
A. T. Edinger, Marketing Specialist, Washington.

Messrs. E. V. Theobald, Marketing Specialist, Washington, and J. H. Dietrich, Junior Marketing Specialist, Chicago, who were on relief detail at New York, and W. A. Wheeler, Marketing Specialist, New York, attended such of the sessions of the conference as time from their assigned duties permitted.

The first conference session was held at the Joint offices of A. M. S.; all subsequent sessions in conference rooms at the Hotel Fifth. W. O. Fraser presided as chairman at all conference sessions.

Immediately preceding the opening of the conference a set of colored slides recently made from pictures taken by Mr. H. C. Wilcox, Photographic Laboratory, of carcasses and cuts selected by technical members of the Division's Chicago staff and depicting the different grades of beef, veal and lamb, were projected on the screen by A. T. Edinger for the purpose of obtaining viewpoints as to the fidelity with which they represented official standards and for suggestions respecting the best procedure to follow in attempts to provide a more complete series of colored films representing the different classes and grades of dressed meats. While the reaction of those present to the initial effort in providing such films was most favorable and the results, in general,

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were considered very encouraging, suggestions were made which, it is believed, will be helpful in future work of that character.

The conference was called to order by Mr. Fraser. In brief opening remarks, Mr. Cummins expressed, in behalf of the New York staff, appreciation of the selection of New York for the conference and extended a cordial welcome.

Mr. Fraser supplied a historical sketch of the meat market reporting service since its inauguration in 1917 and referred to numerous changes pertaining to the processing, packaging, distribution, marketing and grading of dressed meats that have occurred within the last two decades. Mr. Fraser stressed the necessity of the service keeping fully abreast with all such changes which have any bearing on our standardization, meat market reporting and meat grading activities. He spoke of the helpfulness of such conferences in the development of constructive ideas needed in planning for the improvement of our various services and in the handling of technical and administrative problems, and expressed the hope that similar conferences with the field personnel could be held more regularly in the future than in the past. Mr. Fraser stressed the need of devoting best thought and effort to the problems at hand and those which it appears evident the Service will hereafter face. He urged that all members of the staff not only keep the main objectives of the work well in mind but that they feel free at all times to offer constructive suggestions relative to service improvements and requirements.

Mr. Newell supplied in an informal, concise and interesting talk, information relative to the organization of the Agricultural Marketing Service and the functions and objectives of its various units. He pointed out that it was incumbent that all employees familiarize themselves with Service activities as a whole in order to be in position not only to visualize its broad service program and the extent of its regulatory activities but to be prepared to render the highest possible degree of service to the public. Mr. Newell encouraged the expression of ideas, of ways of meeting new problems and better methods of handling old ones and pointed out that to be satisfied in doing the job day after day in the same manner it has always been done leads to stagnation and ultimate decay. Such conferences, Mr. Newell said, bring to light a number of questions and service problems which obviously require continuing thought if the ultimate result is the accomplishment of the worthwhile objectives for which we must all sincerely strive. He called attention to the booklet, issued in August 1939 and revised in March of this year, which outlines the organization and functions of the A. M. S. and urged that the entire personnel use this booklet to familiarize themselves with the organization with which they are associated to the end that a well coordinated and efficient service organization will be developed and maintained.

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Mr. Sandstrom spoke briefly at the opening conference session, preferring, he said, to reserve his comments to subjects on the program in which he was particularly interested. He spoke briefly of the duties and functions of the Marketing Information Section, of its relationship with the Department's Office of Information and of its relationship with the various units of the Service, particularly the commodity divisions engaged in market reporting work.

Prior to the start of round-table discussions of scheduled topics, Mr. Baker offered a vote of thanks to the Administrative Office for its approval of the Division's request for the holding of such conference and for providing the funds required for that purpose.

TOPICS CONSIDERED AND DECISIONS REACHED IN ROUND-TABLE DISCUSSIONS.

Following the opening remarks by Messrs. Fraser, Curwain, Newell, Sandstrom and Baker, the conference was developed by the chairman into a round-table discussion of the various topics pertaining to the meat market reporting activity which had previously been scheduled for consideration. Such of these subjects as appeared to be deserving of detailed consideration were explored at length. The result was that, with the exception of an opening hour, devoted to general remarks, and a closing hour or two for general comments and the consideration of minor questions and problems, the entire time of the two-day conference was devoted to scheduled topics. A list of these topics and the decisions reached follows, all changes determined upon being scheduled to become effective July 1, 1940 unless otherwise noted:

Dissemination of Meat Trade Reports -- Inasmuch as it is extremely difficult to make information pertaining to wholesale meat trade conditions and prices of much interest or significance to the general public in metropolitan areas, it was the consensus that no special effort should be made to broaden radio dissemination of such information, other, at least, than the market news programs prepared for release through stations located in livestock producing areas. In such areas it is believed that, time on the air permitting, reports of wholesale meat trade conditions and prices at the large consuming centers are proving of material interest and value to rural audiences, along with the livestock market news.

It was decided that wholesale meat trade comments, whether intended for radio, news and trade publications, leased wire or mail release, should hereafter be prepared in less stereotyped form than heretofore and more in the form of narrative reports depicting, in more or less newspaper style, the market features as they develop from day to day, with the effort of market writers devoted to the portrayal of facts and salient features of the market in newsy, concise and easily read copy. Market comments prepared in this way will, it was thought, receive more favorable consideration on the part of newspaper editors and the public in

general, with a resultant increase in their use by the press and by those the mail and telegraphic reports are designed to serve. Discussions on this subject were led by Messrs. Fraser, Sandstrom and Baker.

Revamping the Style and Consist of Meat Trade Reports -- In line with decisions reached respecting efforts to broaden the distribution of meat trade reports by the press and to make the mimeographed reports more readable and interesting, decision was reached to make the leased wire meat trade comments consist of a single paragraph depicting general conditions and featuring the highlights of the market from day to day, comments to carry sufficient price data on the more important products to make them reasonably satisfactory if and when released without the detailed quotations. It was decided that market writers should endeavor to prepare concise, newsy reports in narrative style relieved of the stereotyped form previously followed. It was determined that trading should be described as active, slow, quiet, et cetera, as the case may be, with less space given to attempts to depict supply and demand conditions other than to indicate, when the condition is applicable, that supply is abnormally large or small for the day, week or season, or that demand is broad or narrow in relationship to the supply. Market interests desire above all to know whether the market is active or slow, whether supplies are clearing or accumulating, and to receive information relative to price levels, according to grade, at which the bulk of supplies of the more important classes are moving and the factors which are responsible for or contribute to advances or declines in prices. Repetition should be, and prognostication must be, avoided.

Reports of the local market, written for mimeograph mail release, should brief the general condition statement prepared for the leased wire and expand statements of market conditions and prices on the various individual classes to such an extent as is deemed necessary to supply a reasonably complete picture of the market and as space limitations permit. The daily and weekly resumes of the local market should be written in newsy, narrative form, with the highlights featured. The price information incorporated in market comments should indicate the price ranges which cover the bulk of sales of the various classes and grades with such references to transactions above and below such levels as are deemed necessary in properly depicting the market.

Quotations on western dressed beef, veal, calf, lamb and mutton apply to carcass sales, including those on a calculated basis. Meat reporting offices are hereby instructed to carry on their mail reports this footnote, following the detailed quotations on western dressed meats:

"All quotations in dollars per hundredweight. Beef, veal, calf, lamb and mutton prices apply to straight and calculated carcass bases."

It was determined that no change should be made in the previous scheduled filing time of leased wire meat trade reports and quotations, but that developments in the market subsequent to the filing of such wires should be carefully covered and that the mail reports should be prepared at a later hour in the day than heretofore and that they should cover, insofar as practical, the day's market, including such changes and features as develop after the morning leased wire report is filed. If changes in detailed quotations from those filed for leased wire transmission are required to properly depict the day's market such changes in local quotations should be made and incorporated in the daily mail reports. Material changes in market conditions developing subsequent to the filing of the leased wire report should also be indicated in the leased wire report filed the following morning.

Centralization of Eastern Meat Offices Mailing List -- The question of the feasibility and desirability of confining the distribution of mimeograph reports released by the Boston, Philadelphia and New York offices to a single office, New York, was considered in the thought that economies might be effected thereby without the sacrifice of essential services. Decision on the question was left for future determination, pending the submission to the Washington office by the Boston and Philadelphia offices of reports indicating the consist of their various mailing lists.

Revision of the Classification for Veal and Calf Carcasses -- The difficulties encountered in classifying and quoting by grade on veal and calf carcasses as distinct classes and without regard to weight, as previously provided for by the Form LSM-5 classification, were considered, and after prolonged discussion of the problem the following classification was approved:

Fresh Veal and Calf - Carcass Basis - Western Dressed

Veal and Calf 1/

Choice -

80- 130#

130- 170#

Good -

50- 80#

80-130#

130-170#

Medium -

50- 80#

80-130#

130-170#

Common -

All weights

1/ Includes skin on at Chicago and New York. Equivalent weights skin off at Boston and Philadelphia.

Change of the grade terms "medium" and "common" to "commercial" and "utility", to coincide with the grade terminology now utilized for beef, was favorably considered but action deferred pending the approval of corresponding changes in the official standards as promulgated by the Secretary.

Veal and calf carcasses of weights either above or below those specified in the detailed classification and on which detailed quotations are to be supplied, are to be covered in market comments whenever supplies of such weights are deemed sufficient to warrant their mention.

Revision of the Classification for Lamb and Spring Lamb Carcasses -- Proposed changes in the lamb and spring lamb classifications with respect to both grade and weight groupings, in order to make the classifications conform more closely to commercial trade practices, were considered at length and the classifications revised as follows:

Fresh Lamb and Mutton - Carcass Basis - Western Dressed

Spring Lamb -

Choice - all weights

Good - " "

Medium - " "

Common - " "

Lamb -

Choice -

30 - 40#

40 - 45#

45 - 50#

50 - 60#

Good -

30 - 40#

40 - 45#

45 - 50#

50 - 60#

Medium - all weights

Common - " "

"Spring Lamb" is to be quoted on as such and under the grade and weight segregation provided on the form for "Lamb" from the first Monday of July up to and including the final Friday of September and classified

as "Lamb" from the latter date until the first Monday of July when old crop lamb takes the yearling classification. "Spring Lamb" to be quoted on by grade as such, but without segregation as to weight (except at San Francisco), from their first appearance in quotable quantities in the late winter or spring up to and including the final Friday in July.

The grade term "medium" and "common" to be replaced by the grade terms "commercial" and "utility" when and if this change in official standards is approved and promulgated by the Secretary.

Inasmuch as packers utilize in their own lamb gradings, weight schedules which are at variance both with those used by other packers and with those adopted by the Division, it was recommended by the conference that effort looking toward the adoption both by the packing industry and the Division of uniform weight groupings be made through the Institute of American Meat Packers.

Uniformity in Quotations on Fresh Pork Cuts -- Conference discussions revealed a lack of essential uniformity in the bases utilized in depicting quotations on fresh pork cuts. In order to correct this situation it was decided that such cuts as those on which quotations are supplied should be based hereafter on sales to the retail trade in amounts equivalent to 50 to 100 pound boxes or multiples thereof, with sales of broken lots of less than 50 pounds not to be considered in the framing of quotations. Pork loin quotations will be based on sales of both bladeless and blade-in cuts, with the quoted price range sufficiently wide to embrace both. If very material differences in quotations exist at any time, due to premiums paid for bladeless loins, price information segregating the two types of loins should be carried in market comments.

Decision was reached to omit picnics from the Form 5 classification, the Boston office, however, continuing to quote on this cut in its own reports inasmuch as sizable supplies are sold on that market. The Chicago office will likewise continue quotations on spareribs and regular trimmings but will not transmit such quotations by wire to other offices in connection with its Form 5 reports. The New York office will discontinue the release, in connection with its daily mail reports, of quotations on smoked meats.

Verification of Quotations -- All offices preparing reports of the wholesale meat trade were requested to obtain weekly from major packers their average closing prices on packer graded beef, veal and lamb and to make careful comparisons of such closing prices with the quotations prepared for release by the local office. Such packer price data will, it is believed, prove of assistance to the market reporting staff in keeping quotations and market comments well in line with the market, although reporters must be ever mindful of the fact that since considerable variations exist

in packer grading, extreme care must be exercised to avoid the placing of too much weight on such packer price data. Fidelity to Federal standards must be watched to an even greater extent than heretofore and every effort made to enhance the accuracy with which the Federal standards are employed. Changes in quotations should be made whenever a change is necessary to accurately depict the market, regardless of whether the change reflects the condition or tone of the market as reported on the day the change is made.

Rigid Adherence to U. S. Standards -- The necessity of rigid adherence to the official standards was stressed in the discussion on the preceding topic and when this topic was considered. Since it is necessary to obtain a considerable part of the price information by telephone from packer branch house salesmen and district managers and since packer representatives naturally prefer to discuss prices in terms of their own individual grading systems, it is obviously essential that market reporting staff be altogether familiar with packer gradings, their variations from day to day and season to season, and with the existing differences between their own gradings and the Federal standards, if price information correctly reflecting the latter is to be incorporated in our reports. Consequently reporters must make all reasonable effort to personally view as much of the meat sold as possible in order to avoid errors in applying quotations by grade.

It was recommended and urged that to the greatest extent possible information obtained from the trade by telephone re market conditions and prices be collected by technical members of the staff rather than by clerical forces and that, insofar as practical, information thus obtained be checked by the reporting staff with actual sales of meat which the reporter has had the opportunity to inspect for grade. It was also urged that the market reporting staff and the meat grading staff work as closely together in applying the Federal standards as conditions permit in order to bring about the highest possible degree of uniformity and correlation in their application of the standards.

Market Reporting Technique and Contacts with Market Agencies -- In the consideration given to this scheduled topic, the fact was stressed that relationships existing between market agencies and Division employees assigned to administrative, technical and clerical work, have a very material influence on the quality of service the office is in a position to supply. Since the standing of an individual office and the work of the Division and Service as a whole is so vitally influenced by the relationships existing with those whose cooperation and assistance is so essential to success, those charged with the administration of the work and technical and clerical workers, whose duties are of such a character as to keep them in frequent or more or less regular contact with the public, were urged to make every effort to strengthen such relationships. It was pointed out that courtesy, prompt and efficient attention to all

requests, knowledge of one's job, industry and the development of a spirit of friendly and sincere cooperation are the surest avenues to success, while such faults as carelessness, suspicion, an overbearing attitude, undue familiarity, ignorance of or indifference to one's duties and responsibilities tend to weaken and undermine the value of an employee and the standing of the entire organization. Opinions of the confreres on this subject and the technique of market reporting in general were expressed by a number of the Service representatives who, by telling of experiences in which they or other have been involved, pointed the way toward the avoidance of pitfalls and the upbuilding of confidences and respect.

Quotations on Western Dressed Kosher Beef -- In markets which we report where western dressed kosher beef is sold in reasonable volume, it was decided that mail reports released by the local office should cover such beef in a brief paragraph clearly indicating by proper caption that the paragraph deals with western dressed kosher beef. Price data included in such comments should be confined to forequarters, chucks and plates and to composite price data for the entire carcass.

Comparability of Quotations on Western Dressed and City Dressed Meats -- Price quotations on both western dressed and city dressed meats should depict the full quotable width of prices of the different grades and weight selections quoted upon, this applying to quotations on both carcass and cut bases. To effect this procedure nominal quotations are to be employed if and when known actual sales do not reflect the market on the full width of the grade, providing sufficient sales of a given class and weight group are made to permit the framing of quotations. In framing the quotations sales of carefully selected meats which some of the marketing reporting staff, at least, have heretofore been inclined to disregard, should be utilized where such sales appear to be reasonably well in line with the market for the quality, grade and weight selections concerned, even though the quantity sold at the price is small. It will usually be found that large quantity sales of meats, properly portraying the low end of a given grade and specific weight group, will rather definitely serve as the basis for the inside of a quoted price range.

Meat Supply Data -- The difficulties attending efforts of the eastern meat reporting offices to obtain accurate price data pertaining to meat receipts at these market centers and plans and policies to be followed hereafter in this connection, were considered at length. It appeared evident, from the information supplied by representatives of the New York, Boston and Philadelphia offices, that the New York office alone now finds it possible to procure information of this character which we can have reasonable assurance is sufficiently accurate to make its release desirable. It appeared to be the consensus that compilations of the New York meat receipt data should be continued and that the compilation of such data by the Boston and Philadelphia offices should, possibly,

be discontinued. However, before discontinuing the compilation of any of the data it was decided that since the figures now collected at the three markets are utilized regularly for release only by the National Provisioner, a letter presenting the fact and soliciting suggestions should be addressed to the editor of that publication in an effort to determine whether, through the cooperation of the Institute of American Meat Packers or others, it may be possible to obtain more accurate and complete information. The compilation of the meat receipt data to which we refer will, therefore, be continued until further notice.

Wholesale Cut Meat and Provision Prices -- For some years past reports (Form LSE 36) supplying a daily record of wholesale prices on certain western dressed cut meats and on provisions have been mailed weekly to the Washington office by the Boston, Chicago, New York, Philadelphia and San Francisco offices. That form was tentatively revised as of July 1, 1940, confined to western dressed pork products and considered at this conference. Its use was approved and copies of the revised form were mailed to all offices of the Division with Memo. LMW-NM-3, supplying instructions for its use. The revised form incorporated certain changes in the products and weight groupings classified thereon which, it is thought, will enhance the accuracy and comparability of the price data it supplies.

Retail Meat Prices -- Prior to the conference, a suggestion has been made that the assembling and dissemination of retail meat prices be discontinued. This proposal was given consideration and decision was made to discontinue the release of such data effective with the final report in June 1940, but to continue to collect the price data as previously during the months of July and August. If the need develops to maintain this series of retail meat prices and a composite retail value on a carcass basis, it was decided that only the prices obtained by cash and carry stores in New York handling Good and Choice meats will be used. The stores under this classification now reporting prices to our New York office and from which prices should be collected in the future are the A. & P., Bohack, Grand Union, Gristede Brothers and possibly several others which may be selected at a later date. If this plan is carried out the Division will collect no retail meat prices subsequent to August 31 in any city, other than New York.

General -- Following the completion of the discussions on various listed topics the chairman, Mr. Fraser, summarized the principal decisions reached at the conference and gave those in attendance the opportunity of commenting on any phase of the work on which they desired expressions of opinion or information. The style, consist and general readability of the regular market news mimeographed reports received consideration, with Messrs. Sandstrom, Fraser, Baker, Edinger and others making suggestions of constructive character.

In order to provide additional space on the daily mail reports released by the Boston and Philadelphia offices for meat and livestock market comments, decision was reached for these offices to eliminate from such reports the detailed livestock quotations. Meat market reporting offices which carry the daily meat market report and the daily livestock market report as a single 2-page release were instructed to carry the meat trade information on page 1 and the livestock data, the frank and address on page 2 of such releases.

The conference was closed with a brief talk by Mr. Newell whose parting advice to employees was that they seek, through industry, co-operation and scrupulous adherence to policies and regulations, to prove of the greatest possible value to the service and at all times to keep well in mind the fact that they are integral parts of an agency of the Department which has been entrusted with very important phases of the Department's service and regulatory activities, the success of which will be dependent, in no small measure, on the fidelity, interest and competence of its personnel, pulling together in harmony and with clear-cut objectives ahead.

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